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The COTTON SITUATION

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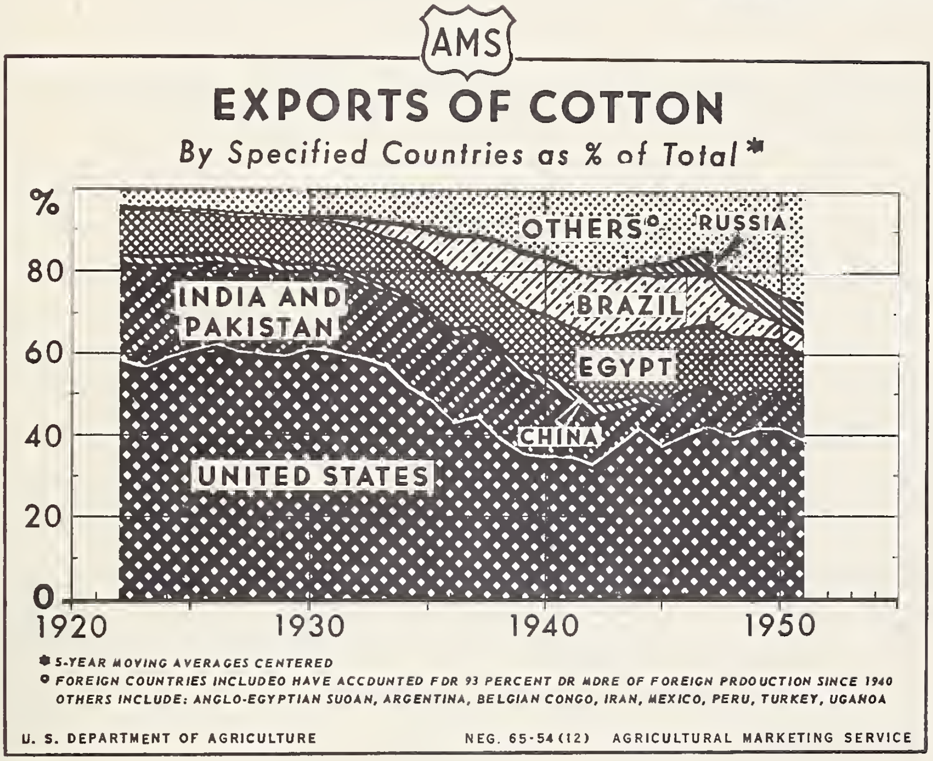

* 5-YEAR MOVING AVERAGES CENTERED
° FOREIGN COUNTRIES INCLUDED HAVE ACCOUNTED FOR 93 PERCENT OR MORE OF FOREIGN PRODUCTION SINCE 1940
OTHERS INCLUDE: ANGLO-EGYPTIAN SUDAN, ARGENTINA, BELGIAN CONGO, IRAN, MEXICO, PERU, TURKEY, UGANDA

U. S. DEPARTMENT OF AGRICULTURE NEG. 65-54 (12) AGRICULTURAL MARKETING SERVICE

The proportion of the world's cotton exports supplied by the United States declined steadily from the mid-1920's to the end of World War II. Following the end of the war, U. S. exports rose to an average of slightly more than 40 percent of the World's exports and then declined. In the 1953-54 marketing year U. S. exports were about 30 percent of the world total and in 1954-55 they will probably be around 34 percent.

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE

AGRICULTURE - WASHINGTON

Cotton Situation at a Glance

Item	Unit	1953 Sept.	1953 Oct.	1953 Nov.	1954 Sept.	1954 Oct. 1/	1954 Nov. 1/
Prices, received by farmers for Am. Upland (mid-month)	Cents	33.09	32.46	31.81	34.55	34.67	33.17
Parity price for Am. Upland	Cents	34.35	34.22	34.35	34.84	34.60	34.72
Farm price as a percentage of parity	Percent	96	95	93	99	100	96
Average 10 spot market price Middling 15/16 inch	Cents	32.81	32.68	32.74	34.50	34.31	33.87
Average price for 17 constructions, gray goods 2/	Cents	67.09	65.63	64.06	62.49	62.78	62.47
Average price cotton used in 17 constructions 2/	Cents	34.35	34.19	34.47	36.49	36.18	35.67
Mill margins for 17 constructions 2/	Cents	32.74	31.44	29.59	26.00	26.60	26.80
Average 14 spot market price Middling, 15/16 inch	Cents	---	---	---	34.42	34.23	33.73
BLS wholesale price index							
All commodities	1947-49 = 100	111.0	110.2	109.8	110.0	109.7	
Cotton broad woven goods	do.	92.1	91.1	90.0	86.8	87.6	
Index of industrial production							
Overall (adjusted)	1947-49 = 100	133	132	129	124	125	
Textiles and Apparel (unadjusted)	do.	104	103	98	98		
Personal income payments (adjusted)	Billion dollars	287.7	287.8	287.2	287.4		
Department store sales (adjusted and revised)	Million dollars	935	936	963	949		
Mill consumption of all kinds of cotton 3/	1,000 bales	703.5	4/ 870.6	685.0	4/ 815.3	706.6	703.7
Mill consumption, daily rate	1,000 bales	36.1	35.2	35.1	33.3	35.8	36.1
Index of spindle activity	5/	133.9	130.6	129.1	126.0	136.3	
Spindles in place end of month in cotton system	Thousand	22,944	22,926	22,930	22,720	22,601	
Spindles consuming 100 percent cotton	Thousand	20,039	19,953	19,990	19,276	19,295	
Spindles idle	Thousand	1,622	1,682	1,678	2,086	1,905	
Gross hourly earnings in broad woven goods 6/ (revised)	Dollars	1.30	1.29	1.29	1.29	1.29	
Exports of cotton	1,000 bales	199.8	217.3	242.8	199.3		
Exports of cotton since August 1	1,000 bales	393.1	610.4	853.3	388.9		
Imports of cotton	Bales	20,209	7,776	8,510	6,538		
Imports of cotton since August 1	Bales	29,339	37,115	45,625	16,479		
Mill stocks end of month	1,000 bales	1,296.0	1,514.8	1,586.1	1,107.8	1,388.2	1,557.0
Stocks, public storage, etc.	1,000 bales	5,912.7	9,459.6	11,219.6	10,894.0	12,756.7	13,822.2
Linters prices 7/							
Grade 2	Cents	11.46	11.33	10.96	7.93	8.28	8.37
Grade 4	Cents	5.99	5.96	5.81	4.36	4.53	4.61
Grade 6	Cents	3.72	3.54	3.40	3.00	2.99	3.00
Rayon prices							
Viscose yarn, 150 denier	Cents	78	78	78	78		
Staple fiber, viscose 1½ denier	Cents	34	34	34	34		
Acetate yarn, 150 denier	Cents	73	73	73	75		

1/ Preliminary. 2/ Revised April 1953. 3/ Four week period except as noted. 4/ Five week period. 5/ Eighty hour week = 100 percent. 6/ Cotton silk and synthetic fibers. 7/ Average price at Memphis, Dallas and Atlanta.

Compiled from official sources.

THE COTTON SITUATION

Approved by the Outlook and Situation Board, December 17, 1954

SUMMARY

The 1954-55 supply of cotton in the United States is relatively large, but the probable disappearance will be substantially greater than in 1953-54. As a result the carryover on August 1, 1955 will be only slightly larger than the 1954 figure of 9.6 million bales. Production plus imports this year are estimated at about 13.7 million running bales and domestic mill consumption plus exports are expected to total about 13.5 million. In 1953-54, disappearance totaled 12.4 million bales.

The estimated disappearance during the current marketing year includes exports of about 4.5 million bales and domestic mill consumption of approximately 9 million. The expected exports may exceed the 1953-54 figures by about 700 thousand bales and estimated mill consumption by approximately 400 thousand.

Higher exports this year than last are expected because of the probability of increased consumption in the foreign free world, reduced supplies in foreign exporting countries, and the prospect that importing countries will increase their currently low stocks. Consumption in the foreign free world has increased steadily the last 5 years and so far this year has been running above 1953-54 when it was highest of the post-war period. The total for 1954-55 probably will exceed the 1953-54 figure of 18.3 million bales by about 200 thousand. Stocks of cotton in importing countries, which were at minimum levels at the beginning of 1954-55 may increase slightly by August 1, 1955.

Production in foreign free world countries is estimated to be about 14.9 million bales, more than a million bales above that of 1953-54, but the starting carryover was down about 1.7 million bales to about 8.2 million. The 23.1 million bale supply available from starting stocks and production in the foreign free world is not sufficient to meet estimated requirements without increasing imports from the United States by about 700 thousand bales above the 3.8 million of 1953-54.

From August 1 through September 1954, about 389 thousand bales were exported from the United States compared with 393 thousand in the same period a year earlier. Trade reports indicate much larger exports during October, November, and the first half of December than a year earlier.

United States Government aid to foreign countries for financing United States cotton exports in 1954-55 totaled about 209 million dollars as of December 17. This includes grants by the Foreign Operations Administration, prospective sales under an informal agreement with Japan under the Agricultural Trade Development and Assistance Act of 1954, authorizations under Section 402 of the Mutual Security Act of 1954, and loans by the Export-Import Bank. These funds will finance the sales of about 1.1 million bales of cotton at current prices. A substantial amount of additional authorizations probably will be announced later. In the entire 1953-54 season, about 336 million dollars were made available

by the United States Government to finance about 1.8 million bales of cotton exports.

Domestic mill consumption of cotton was relatively low in September. In October the rate of consumption increased much more than seasonally, but it increased about the normal seasonal amount in November. The November and October rates were above the rates of a year earlier. This probably indicates an upward shift in the level of consumption for 1954-55 over 1953-54, but the total probably will be smaller than the 9.2 million previously estimated. Total consumption for the season probably will be about 9 million bales.

The 1954 crop was estimated at 13.5 million running bales (13,569 thousand bales of 500 pounds each, gross weight) as of December 1. This is 2.8 million bales smaller than the crop of 1953. The 1954 crop was harvested from 19.2 million acres and the yield per harvested acre of 339 pounds was about 4.6 percent above the previous record of 1953. The supply of cotton for the 1954-55 marketing year is estimated at 23.3 million bales, including the starting carryover of 9.6 million, estimated imports of 0.2 million, and the 1954 crop.

Stocks of cotton held by CCC (owned and pledged as collateral against outstanding loans), including the "set-aside", totaled 8.3 million bales as of December 10. This is about 1.3 million bales larger than stocks on August 1. The estimates of supply and disappearance for 1954-55 indicate that CCC held stocks on August 1, 1955 will be about 1 million bales smaller than on December 10, 1954.

The average price for Middling, 15/16 inch cotton at the 14 spot markets on December 17 was 33.98 cents per pound. The average loan rate for this quality at these markets is 33.46 cents. Excluding transportation to the warehouse, the minimum cost for putting cotton in the loan and carrying it in loan status for 3 months is about 0.8 cents per pound. On December 7, the Secretary of Agriculture stated that the support level for the 1955 crop of upland cotton would probably remain at 90 percent of parity, but the final determination will not be made until after January 1, 1955.

The ratio of stocks to unfilled orders for cotton broad woven goods is being published for the first time in this report. Future issues of The Cotton Situation will carry the ratio on a continuing basis. Research has shown that the ratio of stocks to unfilled orders for cotton broad woven goods is an important indicator of mill activity in the future. This ratio is shown graphically for 1926 to date on page 13. The ratio has shown a declining trend since the spring of 1954 and was 0.45 in October. In the past, a deviation of 0.1 point of the ratio from "normal" has been associated with a change in the opposite direction of 0.1 percent in mill consumption of cotton per capita 5 months later. The 1947-52 average was 0.38.

RECENT DEVELOPMENTS

Carryover to Increase

The carryover on August 1, 1955 is expected to be about 9.8 million bales, about 0.2 million above that of a year earlier. Although 1954-55 disappearance is expected to be about 1.1 million bales larger than that of 1953-54, consumption plus imports probably will be up about 1.3 million.

Disappearance in 1954-55

Disappearance in 1954-55 is expected to total about 13.5 million running bales, including domestic mill consumption of about 9 million bales and exports of approximately 4.5 million. In 1953-54 disappearance amounted to 12.4 million bales.

Exports to Increase

Exports of cotton from the United States from August 1 through September were about 389 thousand bales compared with 393 thousand a year earlier. However, trade reports indicate much larger exports during October, November, and first half of December than a year earlier. Exports during the remainder of the season are expected to be larger than during the last 9 months of the 1953-54 marketing year. Total exports during 1954-55 will probably be about 4.5 million bales, 700 thousand bales larger than the 3.8 million of 1953-54.

Exports this season would total 4.5 million bales, if exports during the last 9 months follow the average seasonal pattern for post-war years (based on Census reports for August and September and trade reports for October). During the post-World War II years, the rate of exports usually has been higher during the December-March period than during other parts of the year. However, the post-war seasonal pattern has been erratic and actual monthly exports have quite often been well above or below the figure indicated by a normal seasonal adjustment. The seasonal patterns during the post-war period and during 1953-54 are shown below.

Table 1.- Cotton exports: Seasonal pattern, average 1946 to 1953, 1953-54 marketing year, and August-September 1954

Month	Percentage of monthly average rate		Quantity	
	1946-53 1/	1953-54 2/	1953-54	1954-55
	Percent	Percent	1,000 bales 3/	1,000 bales 3/
August	41	62	193.3	189.6
September	70	64	199.8	199.3
October	91	69	217.3	
November	119	78	242.8	
December	156	120	375.0	
January	117	95	296.7	
February	125	123	385.4	
March	131	137	429.7	
April	108	135	422.0	
May	101	107	336.1	
June	99	139	434.9	
July	42	73	227.9	

1/ Based on ratio of each month's exports to the centered 12 month moving average rounded to total 1200 for the year. Each month shows the normal value for each month as a percentage of the average for all months.

2/ Average monthly rate was 313.4 thousand bales.

3/ Running bales.

The supply and demand picture for cotton abroad also indicates United States exports of around 4.5 million bales, as shown below:

Table 2.- Cotton: Supply and distribution in the foreign free world, 1949-50 to 1954-55

Item	1949-50	1950-51	1951-52	1952-53	1953-54	1954-55
	Mil. bales 1/	Mil. bales 1/	Mil. bales 1/	Mil. bales 1/	Mil. bales 1/	Mil. bales 1/
Beginning carryover	8.2	8.8	8.4	10.5	9.9	8.2
Production	10.7	12.3	13.5	13.7	13.7	14.9
Imports from the U. S.	5.8	4.1	5.5	3.0	3.8	4.5
Total supply	24.7	25.2	27.4	27.2	27.4	27.6
Consumption	14.8	16.0	16.0	16.5	18.3	18.5
Exports to the U. S., net exports to iron curtain countries, and destroyed cotton	1.1	0.8	0.9	0.8	0.9	0.5
Total disappearance	15.9	16.8	16.9	17.3	19.2	19.0
Ending carryover	8.8	8.4	10.5	9.9	8.2	8.6

1/ Bales of 500 pounds gross weight except United States which is in running bales

Table 2 indicates that consumption of cotton abroad has shown an upward trend for 5 years. Reports from foreign countries during the first month or two of the current season indicate that cotton consumption abroad is still increasing. Industrial production in the OEEC countries rose steadily from 1948 through the first half of 1954 (data for the period since June 1954 are not available). The upward trend in economic activity suggests a continued rise in cotton consumption.

About 4.9 pounds of cotton per capita were consumed in all foreign countries in 1952, the last year for which data are available. This was the highest level in the 1948-52 period (1948 was the first postwar year for which data were available), but was still below the 1938 level, as shown below.

Table 3.- Cotton: Consumption per capita, foreign countries, 1938 and 1948 to 1952 1/

Year	All foreign countries	Foreign free world			Iron curtain countries		
		All countries	West Europe	Canada	All countries	Russia and East Europe	China
	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds
1938	5.4	5.7	8.8	13.7	4.7	6.9	3.5
1948	4.3	4.7	8.2	17.2	3.5	4.6	2.9
1949	4.5	4.8	8.4	17.6	3.9	5.5	2.9
1950	4.4	4.8	9.5	17.9	3.6	5.5	2.3
1951	4.8	5.1	9.9	20.1	4.1	5.9	3.0
1952	4.9	5.1	8.8	15.4	4.4	6.4	3.2

1/ Computed from FAO data.

Western Europe, Eastern Europe, Russia, and Canada have consistently shown higher levels of consumption than other foreign areas. In 1953 consumption per person abroad is estimated to have increased further. Consumption in the foreign free world was probably about up to 1938 and may have been slightly higher in the iron curtain countries.

From 1949 to 1952 the population in foreign free world countries increased an average of over 23 million a year. At the 1938 level of consumption per person such an increase in population would mean additional consumption of about 275 thousand bales each year. Analysis of per capita consumption levels and population trends indicates that the 200,000 bale increase in total consumption estimated for the foreign free world in 1954-55 may be conservative since that increase should result from the increase in population.

Although United States exports depend partly on the level of consumption abroad, they also are affected by the level of foreign production and changes in foreign stocks of cotton. Foreign free world production for 1954-55 is estimated at 14.9 million bales, more than a million bales above that of 1953-54. This figure could be changed as more information is obtained on crops abroad. Larger crops are estimated for most foreign producing countries, though relatively small decreases are expected for a few minor producing countries.

Foreign free world stocks on August 1, 1955 are expected to be about 400 thousand bales larger than the 8.2 million bales of a year earlier. Most of this increase is expected in importing countries where working stocks were about at minimum levels on August 1, 1954, totaling only about 4.9 million bales. (See table 23.) It is expected that these stocks will be slightly larger on August 1, 1955. It is possible that importing countries may increase their stocks even more. In that event, United States exports during 1954-55 might be larger than 4.5 million bales.

The gold and dollar holdings of the foreign free world have continued to increase since mid-year. In most major cotton importing countries outside the Orient the gold and dollar supply is no longer a serious limiting influence on United States cotton exports.

Foreign Aid Programs for Cotton Exports

There are 4 programs of the Federal Government which are designed to promote the export of United States agricultural products including cotton:

1. Public Law 480 - Agricultural Trade Development and Assistance Act of 1954

2. Section 402 of the Mutual Security Act of 1954

3. Other Authorizations from the Foreign Operations Administration

4. Export-Import Bank Loans

Funds from all sources authorized to date by the United States Government amount to about 209 million dollars and will finance the export of about 1.1 million bales, as shown below. However, a substantial amount of additional authorizations probably will be announced later.

Table 4.- Programs of the U. S. Government to finance the export of cotton

Programs	1953-54		1954-55 1/	
	Million dollars	Million bales	Million dollars	Million bales
Export-Import Bank Loans	114.0	0.6	61.0	0.3
Public Law 480	---	---	35.0	.2
Foreign Operations Administration				
Section 550	50.0	.3	2.7	2/
Section 402	---	---	24.7	.1
Others	172.5	.9	85.3	.5
Total	222.5	1.2	112.7	.6
Grand total	336.5	1.8	208.7	1.1

1/ To December 17, 1954. 2/ Less than 50,000 bales.

(1) Public Law 480.- This Act was signed by the President on July 10 and authorizes the sale for export of surplus agricultural commodities in exchange for foreign currency up to 700 million dollars in value over the next 3 years. In addition, over the same period up to 300 million dollars worth of surplus agricultural commodities can be given to foreign countries for "famine or other urgent relief requirements."

On November 10, the Department of Agriculture announced, "exporters may ship privately owned cotton against sales under the Act. The exporters will be required to secure replacements for such privately owned stocks from cotton pledged for loans under the 1953 and 1954 Cotton Loan Programs of Commodity Credit Corporation or from the stocks of cotton owned by CCC (principally 1951 and 1952 crops)."

On November 13, the Department of Agriculture announced that 35 million dollars worth of cotton or 175,000 bales would be sold to Japan in exchange for yen under Public Law 480. These sales will be made by private United States trade and are in addition to the usual Japanese commercial purchases. Sales under this announcement are covered by an informal agreement with Japan. A formal agreement covering the sales is being negotiated. As of December 17, the informal agreement for sales to Japan was the only such agreement for the sale of cotton announced under this Act. Additional agreements are being negotiated with other countries, but no announcement has been made concerning them.

(2) Section 402 of the Mutual Security Act of 1954.- This legislation provides for a minimum of 350 million dollars to be used for the export of agricultural commodities in exchange for foreign currency in 1954-55. Methods of operating the export program under this Act are

similar to those in use last year under Section 550 of the Mutual Security Act of 1951, as amended. Under Section 402, the following purchase authorizations for cotton have been issued.

Country	Million dollars
Israel	1.0
Formosa	3.9
Yugoslavia	3.2
Korea	7.6
Spain	10.0
Total	25.7

These funds will probably finance the export of about 140 thousand bales. Additional funds under Section 402 will be authorized later, and total financing for cotton may be as high as 175 million dollars according to testimony before the Congress. Under Section 550, about 50 million dollars, which financed the export of around 270 thousand bales, were used in 1953-54.

(3) Other Foreign Operations Administration Funds.- About 88 million dollars, which will finance the export of about 480 thousand bales of cotton, were authorized by the FOA from 1953-54 appropriations for use in 1954-55. This includes funds under Section 550 of about 1.6 million dollars for Yugoslavia and about 1.1 million for West Germany. These authorizations were distributed among countries as follows:

Table 5.- Authorizations by FOA: From 1953-54 funds for cotton exports in 1954-55

Country	Authorization
	Million dollars
Formosa	5.0
Israel	1.3
United Kingdom	12.0
Korea	5.0
France	40.3
Yugoslavia	2.0
Austria	1.1
West Germany	4.1
Denmark	0.3
Italy	16.9
Total	88.0

In 1953-54, a total of about 172 million dollars from regular Foreign Operations Administration funds was used to finance cotton exports. These grants financed the export of about 925 thousand bales.

(4) Export-Import Bank Loans.- The Export-Import Bank has made a loan of 60 million dollars to Japan to finance the export of cotton from the U. S. in 1954-55. In addition, a million dollars was carried over

to 1954-55 from a loan to Japan made in 1953-54. The 61 million dollars will probably finance the export of about 335 thousand bales of cotton.

In 1953-54, Export-Import Bank loans to several countries of about 114 million dollars were utilized. These funds financed the export of about 600 thousand bales.

Foreign Cotton Prices

Spot prices for foreign cotton abroad in November were about at the same level as the spot prices for United States Upland cotton in the U. S. This reflects the strong demand by foreign cotton mills for cotton from the 1954-55 supply. The relation between foreign and United States prices has remained roughly the same since September, despite fluctuations here and abroad. (See table 6.)

Rate of Cotton Consumption

In October the daily rate of consumption in United States mills was up more than seasonally over the month earlier. The November rate was up approximately the normal seasonal amount, 1 percent, from October. Both the October and November rates were higher than those of a year earlier. If the daily rate of consumption follows the normal seasonal pattern from November, consumption this season would total about 9 million bales, compared with 8.6 million bales in the 1953-54 marketing year.

About 2.9 million bales of cotton were consumed by United States mills from August 1 to November 27, 1954 at an average daily rate of 34.5 thousand bales. During the comparable period last season the daily rate averaged 35.7 thousand bales and consumption totaled slightly under 3.0 million bales. However, the rate of consumption declined contraseasonally from August through November 1953, but increased in October and November 1954.

Cotton consumption during October and November averaged 35.8 and 36.1 thousand bales per day, respectively. The rates were 2 and 3 percent above those for the same months a year earlier. October was the first month since July 1953 in which the daily rate was higher than that of the corresponding month in the previous year.

Ratio of Stocks to Unfilled Orders for Cotton Broad Woven Goods

In a recent study of the factors that affect mill consumption of cotton in the United States, a summary of which appeared on pages 26 to 30 of The Cotton Situation for October 1954, the importance of imbalance between stocks of and unfilled orders for cotton broad woven goods at the mill was indicated. Deviations of annual averages of the ratio of end-of-month stocks to unfilled orders from a "normal" ratio were used in the analysis to represent the degree of imbalance. It was found that, on the average, a deviation of 0.1 point of the ratio from "normal" was associated with a change in the opposite direction of about 0.1 percent in mill consumption of cotton per capita, 5 months later. Additional details may be obtained from the study.

Table 6 .- Spot prices of specified growths of cotton, including export taxes, July, September, and November 1/ 2/

Country	Foreign: Market	Foreign: Quality	Foreign: Price per pound	U. S. equivalent 3/: Price per pound	U. S. equivalent 3/: Quality 4/	U. S. equivalent 3/: Market
			Cents	Cents		
			July			
India	Bombay	Broach Vijay, fine	32.62	35.66	M 15/16 inch	New Orleans
Pakistan	Karachi	289 FSind fine	35.36	37.11	M 1-1/32 inches	New Orleans
Turkey	Izmir	Acala II	40.18	37.43	M 1-1/16 inches	New Orleans
Brazil	Sao Paulo	Type 5	5/34.84	35.66	M 15/16 inch	New Orleans
Mexico	Matamoros	M 1-1/32 inch 6/	35.55	37.11	M 1-1/32 inches	New Orleans
Peru	Lima	Tanguis type 5	35.79	39.48	SLM 1-3/16 inches	Memphis
Egypt	Alexandria	Ashmouni good	38.70	40.10	SM 1-1/8 inches	Memphis
			September			
India	Bombay	Broach Vijay, fine	32.75	35.78	M 15/16 inch	New Orleans
Pakistan	Karachi	289 FSind fine	37.02	37.27	M 1-1/32 inches	New Orleans
Turkey	Izmir	Acala II	42.32	37.71	M 1-1/16 inches	New Orleans
Brazil	Sao Paulo	Type 5	5/36.16	35.78	M 15/16 inch	New Orleans
Mexico	Matamoros	M 1-1/32 inch 6/	36.56	37.27	M 1-1/32 inches	New Orleans
Peru	Lima	Tanguis type 5	37.86	39.42	SLM 1-3/16 inches	Memphis
Egypt	Alexandria	Ashmouni good	41.98	40.14	SM 1-1/8 inches	Memphis
			November			
India	Bombay	Broach Vijay, fine	32.44	35.09	M 15/16 inch	New Orleans
Pakistan	Karachi	289 FSind fine	37.52	36.66	M 1-1/32 inches	New Orleans
Turkey	Izmir	Acala II	37.20	37.13	M 1-1/16 inches	New Orleans
Brazil	Sao Paulo	Type 5	5/36.84	35.09	M 15/16 inch	New Orleans
Mexico	Matamoros	M 1-1/32 inch 6/	35.94	36.66	M 1-1/32 inches	New Orleans
Peru	Lima	Tanguis type 5	37.42	39.03	SLM 1-3/16 inches	Memphis
Egypt	Alexandria	Ashmouni good	41.29	39.94	SM 1-1/8 inches	Memphis

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1/ Includes export taxes where applicable. 2/ Quotations on net weight basis except as noted. 3/ Net weight for U. S. = spot price ÷ 0.96. 4/ Quality of U. S. cotton generally considered to be most nearly comparable to the foreigh cotton. 5/ F.o.b. Santos for export. 6/ Delivered at Brownsville. Net wt. price = actual price ÷ 0.90.

Henceforth, current figures on the stocks-unfilled orders ratio for cotton broad woven goods will be published in The Cotton Situation. This information will help fill an important gap in the statistics relating to the cotton industry. Estimates of the ratio will aid in more accurate forecasting of the level of mill consumption of cotton.

The primary source of quantitative data on mill stocks and unfilled orders for cotton broad woven goods is the American Cotton Manufacturers Institute, Inc. The Institute's data are released only fc for the use of its members and it does not publish the ratios contained herein. The Institute's data represent the mills' position as of the end of a reporting period, generally at or near the end of a calendar month.

Participation by mills in the Institute's statistical program is voluntary, and the percentage of the industry covered by the reports tends to vary. According to the Institute, the sample in June 1953 represented about 72 percent of the cotton broad woven goods industry. Census reports for 1947 indicate that about 75 percent of yarn spun from cotton was woven into cloth. If this holds currently, the Institute data may be considered as representing at this time about 50 percent of the total cotton textile industry.

Use of a ratio of stocks to unfilled orders adjusts roughly for any changes in the reporting sample. Thus, the ratio may be assumed to represent satisfactorily the actual situation in the industry and to be amenable to comparisons over time.

Figure 1 shows the average end-of-month ratios for 1926-32 and 1934-52. It is apparent that the average level of the ratios shifted rather markedly between the prewar and postwar years. The ratios averaged 0.95 from January 1926 to December 1940 compared to 0.38 from January 1947 to December 1952.

Data by months for January 1953 to October 1954 are given in table 7. From a peak of 0.88 at the end of April 1952, the ratio declined to a low of 0.24 in June 1953. Except for some stability at about 0.55 from December 1953 through March 1954, the ratio then rose to 0.65 in April 1954. It declined to about 0.52 in May 1954, remained at that level through August 1954, and then dropped to 0.45 in October 1954. Some further decline in the ratio over the next few months is expected. For the calendar year 1954 the ratio will probably average somewhat under 0.50. The average for 1953 was 0.37 or very near the post-war average.

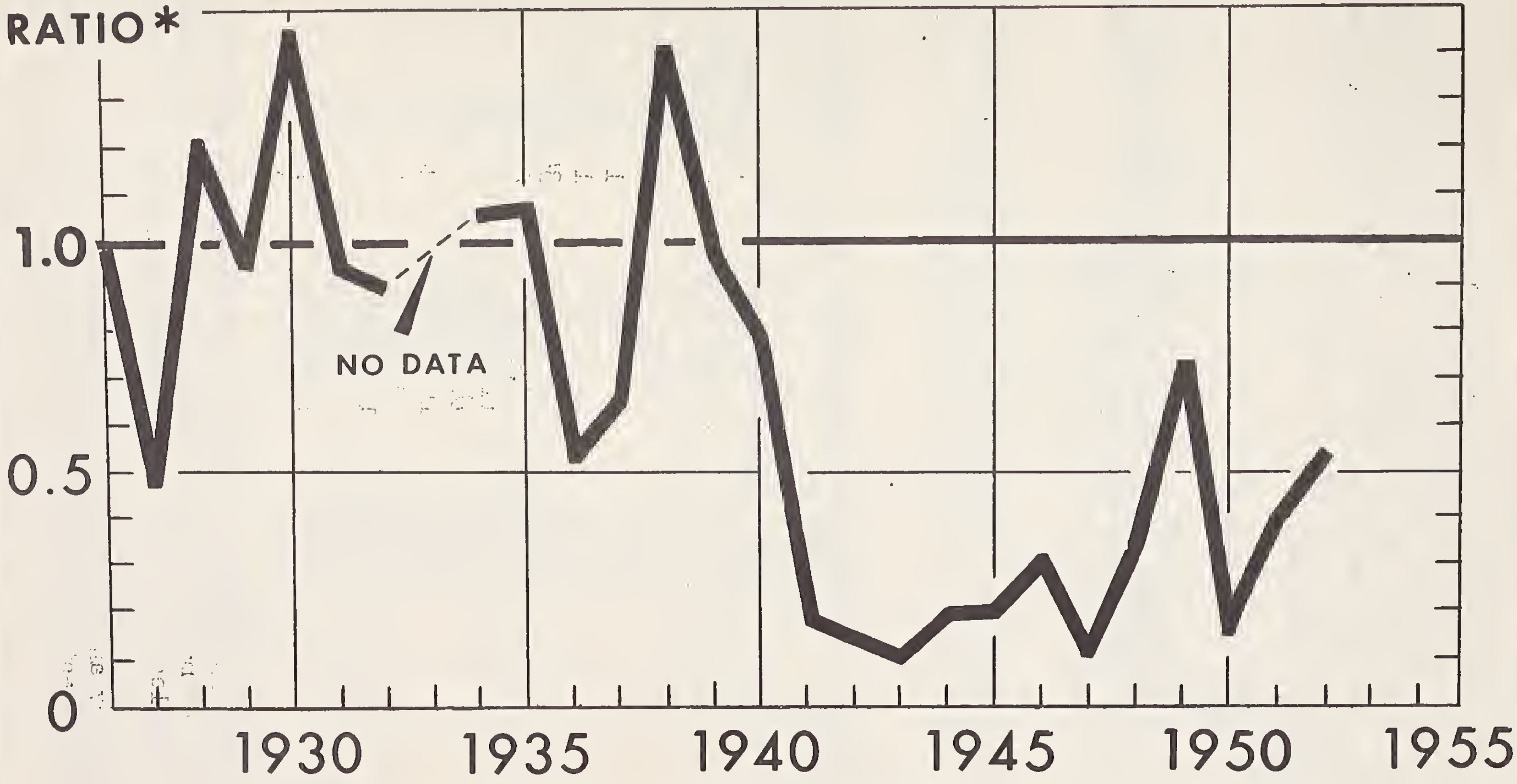
Table 7.- Cotton Broad Woven Goods: Ratio of mill stocks to unfilled orders, end-of-month, United States, 1953 and 1954

Month	1953	1954	Month	1953	1954
January	0.29	0.55	July	0.25	0.52
February	.27	.56	August	.28	.53
March	.30	.55	September	.35	[1]/.43
April	.27	.65	October	.41	[1]/.45
May	.26	.52	November	.49	
June	.24	.52	December	.55	

[1]/ Preliminary.

COTTON BROADWOVEN GOODS

Ratio of Mill Stocks to Unfilled Orders



BASED ON DATA FROM AMERICAN COTTON MANUFACTURES INSTITUTE, INC.
YEAR BEGINNING JAN. 31　　** END-OF-MONTH*

U. S. DEPARTMENT OF AGRICULTURE　　NEG. 897-54(7)　　AGRICULTURAL MARKETING SERVICE

Gray Goods Values Decline

The value of the amount of gray goods made from a pound of cotton (average for 17 constructions) declined during November for the first month since June 1954. In November the average value of 62.47 cents was 0.31 cent below the value for October. The price of cotton used in manufacturing the fabrics declined 0.51 cent per pound, which was more than the decline in the value of the gray goods. Consequently, the mill margin increased 0.20 cent.

Supply of Cotton Increases

The supply of cotton in the United States for the 1954-55 marketing year is estimated at 23.3 million bales. This would be the largest supply since that of 1942-43 and approximately 1.1 million bales larger than the supply in 1953-54, as shown below.

Table 8.- Cotton: Supply in the United States, 1942-43 to 1954-55

Year beginning August 1	Starting carryover	Production 1/	Net imports	Total 2/
	1,000 bales 3/	1,000 bales 3/	1,000 bales 3/	1,000 bales 3/
1942	10,640	12,496	168	23,305
1943	10,657	11,069	129	21,856
1944	10,744	11,924	190	22,858
1945	11,164	8,853	343	20,359
1946	7,326	8,575	270	16,170
1947	2,530	11,649	234	14,412
1948	3,080	14,649	163	17,892
1949	5,287	15,921	245	21,453
1950	6,846	9,877	188	16,910
1951	2,278	15,068	72	17,418
1952	2,789	15,166	193	18,149
1953 4/	5,605	16,403	145	22,150
1954 4/	9,576	5/13,499	200	23,275

1/ In season ginnings, includes city crop since 1946 except as noted.
2/ Totals were made before data were rounded to thousands.
3/ Running bales except imports which are bales of 500 pounds gross weight.
4/ Preliminary and partially estimated.
5/ December 1 estimate of the 1954 crop.

Table 8 shows that the starting carryover has been increasing steadily since 1951. It reached a post-war peak of 9.6 million bales on August 1, 1954. The increase in the carryover in the last year more than offset the decline of about 2.8 million running bales in production from 1953 to 1954 causing a further increase in the 1954-55 supply.

Crop Declines from Previous Year but Yield Increases

The 1954 crop was estimated at 13.5 million running bales (13.6 million 500 pound bales) as of December 1. This is 2.8 million bales or 17.2 percent below the 1953 crop. The acreage in cultivation on July 1, 1954 was about 21.7 percent smaller than that of a year earlier and acreage harvested in 1954 was down close to the same percentage. However, the record yield per harvested acre of 339 pounds for the 1954 crop was approximately 4.6 percent larger than the previous record set in 1953.

Every region of the Cotton Belt showed a higher yield per harvested acre than in 1953. The increase in Arizona, California, and New Mexico was by far the sharpest. The average yield in these 3 States increased 183 pounds on the average, compared with increases of 20 pounds in the Southeastern States, 4 pounds in the Southwestern States, and 12 pounds in the Delta States. (See table 15.)

The yield per harvested acre was high in most States, but new records were established only in Arizona, New Mexico, and Florida. The 1954 yield in Arizona was 968 pounds per harvested acre. The previous record was 825 pounds in 1950. The 1954 yield in New Mexico was 736 pounds per harvested acre. The previous record of 576 pounds was set in 1940. The 1954 yield in Florida was 336 pounds while the previous record was 255 pounds for the 1951 crop.

Ginnings and Quality

About 12.4 million bales of cotton were ginned prior to December 1, 1954 or about 92 percent of the indicated 1954 crop. This is the most rapid rate of ginning since 1943-44. By this date a year earlier 87.5 percent of the 1953 crop had been ginned.

The quality of the 1954 upland crop ginned prior to December 1 was about the same in grade but shorter in staple length than the 1953 crop ginned during the same period a year earlier, as shown below.

	1953	1954
Grade index (Middling white=100)	96.3	96.5
Average staple length (thirty-seconds inches)	32.8	32.4

Middling white and higher cotton comprised 51.4 percent of the 1954 ginnings, compared with 54.2 percent of the 1953 ginnings. Grades below Strict Low Middling comprised about 9.1 percent of the crop in 1954, compared with 13.2 percent in 1953. Cotton longer than 1 inch accounted for 57.6 percent in 1954 and 68 percent in 1953.

The carryover of upland cotton on August 1, 1954 was higher in grade and longer in staple length than that of 1953. Therefore, the supply to December 1, 1954 was about the same in grade and shorter in staple length than that of a year earlier, as shown below.

	1953	1954
Grade index (Middling white=100)	96.0	96.1
Average staple length (thirty-seconds inches)	32.6	32.3

Cost of Picking Declines

The average United States cost of hand picking cotton declined from $2.80 per hundred pounds of seed cotton for the 1953 crop to $2.70 for the 1954 crop. This marked the second year in which hand picking rates declined. The peak was reached in 1952 when the rate was $3.05 per hundred pounds of seed cotton.

Rates in 1954 were higher than in 1953 in Missouri, Arkansas, and Arizona. In all other States the rate declined or was the same as a year earlier. The highest rate in 1954 was paid in Missouri, $3.45 and the lowest rate was paid in New Mexico $2.35. A year earlier the highest rate was paid in North Carolina, but the North Carolina rate in 1954 declined 20 cents to $3.15 while the Missouri rate increased 20 cents. The lowest in both 1953 and in 1954 was paid in New Mexico. (See table 20.)

Acreage Allotments

On November 3, the Department of Agriculture announced acreage allotments by States for the 1955 crop of upland cotton. (See table 21.) The national allotment of 18.1 million acres was announced on October 14. The reduction from the 1954 national allotment was 3.3 million acres. Of the major cotton producing States, Oklahoma received the largest cut in its acreage allotment, down 20.6 percent, followed closely by Georgia, down 20 percent.

On November 4, the State acreage allotments for extra-long staple cotton were announced. (See table 22.) Although the national marketing quota for this type of cotton was the same in both years, the national acreage allotment increased. This was caused by a lower average yield in the base period for the 1955 acreage allotment than in the base period for the 1954 allotment. All States producing American-Egyptian cotton received larger acreage allotments for the 1955 crop than for the 1954 crop. (See table 22.)

On December 14, the marketing quotas and acreage allotments for 1955 were ratified by growers voting in referendums. About 92.0 percent of those voting favored the marketing quota and acreage allotments for upland cotton and 92.7 percent favored them for extra-long staple cotton.

Table 9 .- CCC Stocks of Cotton: United States, 1954-55

Date	Total	Upland						Extra-long staple		
		Set-aside	Pooled to producers' accounts	Owned	Collateral on loans		Total	Secretary's account	1953 crop	1954 crop
					1953 crop	1954 crop				
	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
1954										
Aug. 6	7,015	---	126	1,680	5,113	---	6,919	31	65	---
Aug. 13	7,008	---	126	1,680	5,106	---	6,912	31	65	---
Aug. 20	7,006	---	126	1,680	5,100	4	6,910	31	65	0
Aug. 27	7,011	---	126	1,680	5,096	13	6,915	31	65	0
Sept. 3	7,027	---	126	1,680	5,090	35	6,931	31	65	0
Sept. 10	7,049	---	126	1,680	5,083	64	6,953	31	65	0
Sept. 17	7,090	1,000	126	1/680	5,079	109	6,994	31	65	0
Sept. 24	7,135	1,000	126	1/680	5,073	160	7,039	31	65	0
Oct. 1	7,178	1,000	126	1/680	5,068	208	7,082	31	65	0
Oct. 8	7,217	1,000	126	1/680	5,053	262	7,121	31	65	0
Oct. 15	7,265	1,000	2/	1/806	5,044	319	7,169	31	65	0
Oct. 22	7,336	1,000	2/	1/806	5,029	405	7,240	31	65	3/
Oct. 29	7,409	1,000	2/	1/806	5,014	493	7,313	31	65	3/
Nov. 5	7,512	1,000	2/	1/806	5,003	606	7,415	31	65	1
Nov. 12	7,661	1,000	2/	1/806	4,995	762	7,563	31	65	2
Nov. 19	7,833	1,000	2/	1/806	4,986	942	7,734	31	65	3
Nov. 26	8,002	1,000	2/	1/806	4,983	1,113	7,902	31	65	4
Dec. 3	8,184	1,000	2/	1/806	4,979	1,297	8,082	31	65	6
Dec. 10	8,311	1,000	2/	1/806	4,973	1,427	8,206	31	65	9
Dec. 17										

1/ One million bales in "set-aside".

2/ CCC took possession of pooled cotton on October 13, 1954.

3/ Less than 500 bales.

Commodity Credit Corporation

Stocks Held by CCC

Stocks held by CCC (owned and held as collateral against outstanding loans) totaled 8,311 thousand bales on December 10 compared with 6,807 thousand approximately a year earlier. Of the 1954 total, 1,427 thousand bales of upland cotton were pledged as collateral against 1954 crop loans and 4,973 thousand were held under 1953 upland loans. (See table 9.) Extra-long staple cotton held by CCC amounted to 105 thousand bales with 9 thousand pledged under the 1954 crop loan.

Cotton held by CCC increased roughly about 1.3 million bales from the start of the 1954-55 season to approximately 8.3 million on December 10. The carryover outside of CCC stocks next August 1 is likely to be at least as large as the 2.6 million bales of a year earlier. Since disappearance is estimated at 13.5 million bales, CCC stocks on August 1, 1955 will probably be about 1 million bales smaller than on December 10, 1954.

On November 10, the Department of Agriculture announced the following policy for the sale of CCC owned cotton to replace privately owned stocks shipped under Public Law 480, "After January 1, 1955, CCC's owned stocks will be available as replacement cotton at prices not less than the higher of (1) 105 percent of the current support price plus reasonable carrying charges, or (2) the market price as determined by CCC. Reasonable carrying charges will be those previously used under CCC cotton sales programs and are 75 points during November, 90 points during December, with an additional 15 points being added for each month thereafter through July 1955."

The average loan rate for Middling, 15/16 inch cotton at the 14 spot markets is 33.46 cents per pound. Adding the value of reasonable carrying charges in January, as defined above, of 1.05 cents per pound to 105 percent of the support price, gives the minimum average price at the 14 markets for which CCC will sell Middling, 15/16 inch cotton of 36.18 cents per pound. The average 14 spot market price for Middling, 15/16 inch cotton on December 17 was 33.98 cents per pound.

Cotton Prices

Cotton prices have moved within a relatively narrow range since the start of the 1954-55 marketing year. The average 14 spot market price for Middling, 15/16 inch cotton reached a high of 34.90 cents per pound on September 24 and a low of 33.52 cents on November 22. By December 17, this price had recovered to 33.98 cents.

The cost to a farmer for putting cotton in the loan and carrying it for 3 months in loan status is about 0.83 to 0.88 cent per pound plus transportation to the warehouse. The difference in the cost depends on whether the farmer pays to have his cotton classed or uses the free classification service under the Smith-Doxey Act. The cost to farmers for placing the cotton in the loan increases as the cost of hauling cotton to approved warehouses increases. Such costs are not included in the above figures.

Prices during the 1954-55 markeing year have been above those of a year earlier. For example, the average 10 spot market price for Middling, 15/16 inch cotton on December 17, 1954 was 34.13 cents per pound compared with 32.39 cents a year earlier. The average monthly price for Middling, 15/16-inch cotton has also been higher from August to November 1954 than it was in the same months of 1953 as shown below.

Table 10.- Cotton prices: Monthly average for Middling, 15/16 inch at the 10 spot markets, August to November, 1953 and 1954

Month	1953	1954
	Cents per pound	Cents per pound
August	32.98	34.19
September	32.81	34.50
October	32.68	34.31
November	32.74	33.87

The average prices received by farmers have also been above those of a year earlier, as shown below. The price received by farmers has been a

Table 11.- Upland Cotton prices: Average received by farmers, parity prices, percentage of parity, August to November, 1953 and 1954

Month	Price received by farmers				Parity price	
	Actual		Percentage of parity			
	1953	1954	1953	1954	1953	1954
	Cents per pound	Cents per pound	Per-cent	Per-cent	Cents per pound	Cents per pound
August	32.79	34.00	95	97	34.35	35.09
September	33.09	34.55	96	99	34.35	34.84
October	32.46	34.67	95	100	34.22	34.60
November	31.81	33.17	93	96	34.35	34.72

higher percentage of parity this season than last. In mid-October 1954 it was 100 percent of parity, a higher percentage than in any other month since November 1952. In November 1954 the average price received by farmers declined to 96 percent of the parity price.

The support price for the 1954 crop of upland cotton is based on the July 15 parity price of 35.09 cents per pound. Since July the parity price has declined, and was 34.60 cents per pound in mid-October and 34.72 cents in mid-November. The decline in the parity price was an important factor in causing the price received by farmers to increase to 100 percent of parity in mid-October. The quality of cotton sold by farmers during October and November was higher than the average for the season. This was another important factor in causing the price received by farmers during these months to approach the parity price. The price received by farmers during the 1954-55 season has not reached the level of the July parity price, 35.09 cents.

On December 7, the Secretary of Agriculture stated, "Present indications are that the price support level for the 1955 crop of upland cotton will remain at 90 percent of parity." The Secretary went on to say that the final determination of the 1955 price support level would not be made until sometime after the first of the year.

Prices of Cotton Linters Steady

The average United States prices for cotton linters have been steady at relatively low levels during the 1954-55 marketing year in contrast to the downward trend in the past 3 seasons. Since August 1, 1954 prices for felting grade linters have strengthened slightly and prices for chemical grade linters have not shown much change, as shown on page 21. Prices for linters are well below those of a year earlier, but the decline appears to have stopped.

Supply and Distribution of Linters

The supply of linters in the United States during the 1954-55 marketing year is estimated at about 3.2 million bales. Disappearance is estimated at 1.6 million. This will leave a carryover on August 1, 1955 of about 1.6 million bales, slightly above that of a year earlier.

The estimated disappearance of 1.6 million bales for 1954-55 is about the same as that of the 1953-54 marketing year. Domestic consumption during 1953-54 amounted to 1.3 million bales and exports were 237 thousand.

The estimated supply of 3.2 million bales of linters is about the same as that of 1953-54. The starting carryover of 1.5 million bales was some 0.4 million larger than a year earlier, but production and imports are expected to be smaller. Production in 1954-55 estimated at 1.6 million bales, compared with 2 million running bales in 1953-54. Imports from August 1 through September 1954 were 56.2 percent smaller than in the same period a year earlier. The total for the 1954-55 season may be around 100 thousand bales, compared with 165 thousand in 1953-54.

Table 12.- Cotton linters: Average United States prices, August to November, 1953 and 1954

Year and month	Grades mostly felting				Grades mostly chemical		
	1	2	3	4	5	6	7
	Cents per pound	Cents per pound	Cents per pound	Cents per pound	Cents per pound	Cents per pound	Cents per pound
1954							
August	1/	7.91	6.03	4.40	3.30	3.00	2.96
September	1/	7.93	6.02	4.36	3.30	3.00	2.98
October	1/	8.28	6.49	4.53	3.31	2.99	2.94
November	1/	8.37	6.57	4.61	3.32	3.00	2.95
1953							
August	11.92	11.25	9.07	6.23	4.44	3.85	3.82
September	13.55	11.46	9.01	5.99	4.26	3.72	3.53
October	13.29	11.33	8.83	5.96	4.06	3.54	3.46
November	13.10	10.96	8.42	5.81	3.94	3.40	3.35

1/ Not available.

Table 13.- Cotton: Exports from the United States, by staple length and by countries of destination, August and September 1954, cumulative total since August 1, 1954 1/

Country of destination	August 1954				September				Cum. totals since August 1			
	1-1/8 inches and over	1 inch to 1-1/8 inches	Under 1 inch	Total	1-1/8 inches and over	1 inch to 1-1/8 inches	Under 1 inch	Total	1-1/8 inches and over	1 inch to 1-1/8 inches	Under 1 inch	Total
	Running bales	Running bales	Running bales	Running bales	Running bales	Running bales	Running bales	Running bales	Running bales	Running bales	Running bales	Running bales
EUROPE												
United Kingdom	52	15,391	5,635	21,078	299	19,253	12,667	32,219	351	34,644	18,302	53,297
Austria	0	710	0	710	148	579	0	727	148	1,289	0	1,437
Belgium and Luxembourg	55	4,364	0	4,419	50	4,414	101	4,565	105	8,778	101	8,984
Czechoslovakia	0	0	0	0	0	0	0	0	0	0	0	0
Denmark	0	1,061	154	1,215	0	529	0	529	0	1,590	154	1,744
Eire	0	0	150	150	0	424	195	619	0	424	345	769
Finland	0	0	0	0	0	0	0	0	0	0	0	0
France	446	12,226	864	13,536	1,926	31,771	2,327	2/36,122	2,327	43,997	3,191	2/49,658
Germany (West)	3,580	15,879	115	19,574	4,617	19,136	522	24,275	8,197	35,015	637	43,849
Greece	0	98	0	98	0	0	0	0	0	98	0	98
Hungary	0	0	0	0	0	0	0	0	0	0	0	0
Italy	106	6,186	106	6,398	96	12,293	3,670	16,059	202	18,479	3,776	22,457
Netherlands	1,056	2,211	100	3,367	880	2,246	0	3,126	1,936	4,457	100	6,493
Norway	0	450	0	450	0	310	0	310	0	760	0	760
Poland and Danzig	0	0	0	0	0	0	0	0	0	0	0	0
Portugal	0	0	0	0	0	0	0	0	0	0	0	0
Spain	0	872	0	872	0	0	0	0	0	872	0	872
Sweden	339	1,050	0	1,389	210	834	36	1,080	549	1,884	36	2,469
Switzerland	50	2,243	200	2,493	400	6,130	500	7,030	450	8,373	700	9,523
Trieste	0	0	0	0	0	0	0	0	0	0	0	0
U. S. S. R.	0	0	0	0	0	0	0	0	0	0	0	0
Yugoslavia	55	1,524	1,215	2,794	301	6,709	1,773	8,783	356	8,233	2,988	11,577
Other	0	0	0	0	0	0	0	0	0	0	0	0
Total	5,739	64,265	8,539	78,543	8,927	104,623	21,791	2/135,444	14,666	168,893	30,330	2/213,987
OTHER COUNTRIES												
Canada	1,173	17,251	4,536	22,960	702	9,567	2,318	12,587	1,875	26,818	6,854	35,547
Mexico	0	0	0	0	0	0	0	0	0	0	0	0
Cuba	0	3,012	100	3,112	0	1,500	1,300	2,800	0	4,512	1,400	5,912
Colombia	145	0	0	145	0	576	0	576	145	576	0	721
India	2,054	0	0	2,054	2,860	0	0	2,860	4,914	0	0	4,914
China	0	0	0	0	0	0	0	0	0	0	0	0
Japan	5	24,764	13,019	37,788	386	13,345	14,009	27,740	391	38,109	27,028	65,528
Hong Kong	0	0	456	456	0	100	350	450	0	100	806	906
Korea	0	20	19,591	19,611	0	0	2,755	2,755	0	20	22,346	22,366
Palestine and Israel	124	941	0	3/ 1.260	0	1,438	0	1,438	124	2,379	0	3/ 2,698
Philippine Islands	0	0	0	0	0	0	0	0	0	0	0	0
Australia	1,133	1,486	457	3,076	0	2,072	300	2,372	1,133	3,558	757	5,448
Other	20	8,031	12,529	20,580	0	5,777	4,523	10,300	20	13,808	17,052	30,880
Total	4,654	55,505	50,688	111,042	3,948	34,375	25,555	63,878	8,602	89,880	76,243	3/174,920
World total	10,393	119,770	59,227	3/189,585	12,875	139,003	47,346	2/199,322	23,268	258,773	106,573	2/3/388,907

1/ Preliminary. Totals are not always a summation of growths.
2/ Includes 94 bales of American-Egyptian cotton exported to France.
3/ Includes 195 bales of American-Egyptian cotton exported to Israel.
Bureau of the Census.

Table 14.-- Prices of cotton in specified foreign markets, averages 1935-39, 1940-44 and 1945 to date

Year	Egypt		India	Pakistan			Argentina	Peru		Mexico
beginning	Alexandria		Bombay	Karachi			Buenos Aires	Lima	Sao Paulo	Torreon
ning	Ashmouni	Karnak	Jarilla	4 F Punjab	289 F Sind	289 F Punjab	Type B	Tanguis	Type 5	Middling
Aug. 1	Good	Good	Fine	S. G. Fine	S. G. Fine	S. G. Fine		Type 5		15/16 inch
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
Average										
1935-39	1/12.54	2/	8.31	2/	2/	2/	12.81	10.99	10.33	11.52
1940-44	1/18.31	2/	3/ 9.90	2/	2/	2/	13.98	12.82	10.73	16.23
1945	4/28.29	5/31.38	16.43	2/	2/	2/	20.43	18.22	17.93	19.41
1946	5/35.95	35.28	16.81	2/	6/21.19	6/24.02	30.14	24.93	25.88	28.34
1947	51.75	63.38	21.47	2/	7/25.60	7/28.52	37.53	28.40	28.44	30.08
1948	42.10	67.94	23.43	30.14	33.54	36.00	46.80	8/31.43	33.05	5/25.25
1949	5/45.96	9/47.14	10/17.57	27.37	29.11	30.08	41.03	6/30.41	32.35	25.30
1950	67.13	82.88	20.17	42.48	44.43	46.96	54.55	6/37.20	58.79	44.61
1951	5/50.06	5/79.24	19.80	36.26	37.50	39.09	2/	5/30.56	50.29	30.58
1952	32.42	39.30	18.53	25.15	27.24	28.59	2/	29.32	44.54	27.58
1953	31.56	37.80	19.60	25.79	27.74	28.96	2/	29.67	33.78	2/
Aug.	29.92	35.43	19.57	22.41	25.16	26.54	2/	29.71	11/33.51	2/
Sept.	30.34	34.88	18.96	21.72	24.84	25.44	2/	28.92	33.03	2/
Oct.	30.28	34.58	18.19	21.12	23.51	24.48	2/	29.73	32.88	2/
Nov.	29.88	34.67	18.21	21.08	25.58	26.95	2/	28.93	32.94	2/
1954										
Aug.	32.89	40.28	19.20	27.23	28.74	29.16	2/	30.61	12/35.96	2/
Sept.	36.10	43.35	18.95	27.87	30.09	29.55	2/	30.57	36.16	2/
Oct.	36.09	43.34	19.03	29.06	30.16	30.16	2/	30.61	37.61	2/
Nov.	35.41	42.49	19.16	28.37	30.59	30.34	2/	30.49	12/36.84	2/
Dec. 2	35.76	42.92	18.87	28.78	30.71	31.81	2/	29.58	36.72	2/
Dec. 9	35.98	43.20	19.04	28.78	30.66	31.94	2/	29.84	36.05	2/
Dec. 16	35.95	43.16	19.28				2/	30.10	36.16	2/

1/ Price of Ashmouni, Fully Good Fair. 2/ Comparable data not readily available. 3/ Av. for 3 years. 4/ Quotation for one month. 5/ Av. for 10 months. 6/ Av. for 7 months. 7/ Av. for 9 months. 8/ Av. for 8 months. 9/ Av. for 11 months. 10/ Ceiling price for Jarilla fine in Bombay since Sept. 1949. 11/ Export prices from Aug. 1953 to date. 12/ Av. of 3 quotations.

Foreign Agricultural Service. Compiled from reports of the State Department and converted to cents per pound at current rates of exchange as reported by the Federal Reserve Board. Based on prices on one day in each week.

Table 15.- Cotton, yield per acre on harvested acreage, U. S. and regions, 1930 to date

Year	West 1/		Southeast 2/		Delta 3/		Southwest 4/		U. S.	
	Actual	Trend 5/	Actual	Trend 5/	Actual	Trend 5/	Actual	Trend 5/	Actual	Trend 5/
	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.	Lb.
1930	409	391	221	209	154	202	117	145	157	179
1931	381	402	233	211	248	200	174	142	212	178
1932	372	422	176	218	181	210	163	139	174	192
1933	440	442	240	231	204	229	196	144	213	194
1934	497	461	236	235	216	240	102	150	172	202
1935	459	481	245	238	210	259	130	154	185	211
1936	514	507	250	243	278	263	111	156	199	215
1937	539	517	288	246	350	278	190	157	270	222
1938	538	518	229	251	317	297	167	156	236	228
1939	587	514	243	257	323	310	157	163	238	238
1940	616	518	280	269	289	331	189	169	252	250
1941	460	513	206	276	314	336	173	173	232	256
1942	448	518	284	275	376	330	183	167	272	253
1943	463	527	285	281	336	329	166	169	254	256
1944	497	525	359	293	393	340	187	171	299	264
1945	470	525	310	286	326	341	145	179	254	268
1946	584	559	280	286	292	341	132	182	236	272
1947	616	578	286	292	315	335	191	180	267	271
1948	567	597	351	291	421	338	176	180	311	274
1949	619	613	214	281	300	379	257	185	282	277
1950	764	653	209	280	307	345	204	195	269	286
1951	625		331		322		163		269	
1952	629		277		366		164		280	
1953	647		275		385		230		324	
1954 6/	830		295		397		234		339	

1/ West includes California, Arizona and New Mexico.

2/ Southeast includes Virginia, North Carolina, South Carolina, Georgia, Florida, and Alabama.

3/ Delta includes Missouri, Arkansas, Tennessee, Mississippi, and Louisiana.

4/ Southwest includes Texas and Oklahoma.

5/ Trend yield is 9-year centered average yield.

6/ Preliminary, Crop Reporting Board report of December 8, 1954.

Crop Reporting Board.

Table 16.- Cotton: Yield per harvested acre, actual and 9-year moving average centered, United States, 1866 to date

Year beginning August 1	Actual yield	9-year average yield	Difference actual minus average
	Pounds	Pounds	Pounds
1866	121.5		
1867	142.6		
1868	150.7		
1869	155.4		
1870	208.2	160.6	47.6
1871	159.0	167.2	- 8.2
1872	182.3	170.0	12.3
1873	168.3	172.2	- 3.9
1874	157.0	173.5	-16.5
1875	181.2	170.4	10.8
1876	167.6	174.0	- 6.4
1877	170.4	170.3	0.1
1878	167.5	174.8	- 7.3
1879	180.5	175.3	5.2
1880	190.9	172.4	18.5
1881	149.0	172.7	-23.7
1882	208.9	172.0	36.9
1883	162.0	172.9	-10.9
1884	155.1	171.6	-16.5
1885	169.9	170.1	- .2
1886	164.3	175.2	-10.9
1887	175.1	174.1	1.0
1888	169.5	174.9	- 5.4
1889	176.9	177.1	- .2
1890	195.5	182.6	12.9
1891	198.7	183.4	15.3
1892	168.7	183.4	-14.7
1893	175.3	187.8	-12.5
1894	219.0	193.0	26.0
1895	172.2	191.8	-19.6
1896	175.2	191.4	-16.2
1897	209.0	191.3	17.7
1898	223.1	192.3	30.8
1899	185.0	186.9	- 1.9
1900	194.7	191.5	3.2
1901	168.2	192.3	-24.1
1902	184.7	191.5	- 6.8
1903	169.9	186.0	-16.1
1904	213.7	188.1	25.6
1905	182.3	183.8	- 1.5
1906	202.3	184.7	17.6
1907	172.9	188.1	-15.2
1908	203.8	191.6	12.2
1909	156.5	189.2	-32.7
1910	176.2	193.0	-16.8
1911	215.0	190.3	24.7
1912	201.4	189.5	11.9
1913	192.3	185.5	6.8
1914	216.4	186.3	30.1
1915	178.5	185.2	- 6.7
1916	165.6	182.0	-16.4
1917	167.4	174.4	- 7.0
1918	164.1	169.5	- 5.4
1919	165.9	160.7	5.2
1920	186.7	159.2	27.5
1921	132.5	160.0	-27.5
1922	148.8	162.9	-14.1
1923	136.4	162.6	-26.2
1924	165.0	162.3	2.7
1925	173.5	159.8	13.7
1926	192.9	162.5	30.4
1927	161.7	169.5	- 7.8
1928	163.3	173.6	-10.3
1929	164.2	178.9	-14.7
1930	157.1	178.7	-21.6
1931	211.5	177.9	33.6
1932	173.5	182.0	- 8.5
1933	212.7	193.9	18.6
1934	171.6	201.8	-30.2
1935	185.1	210.8	-25.7
1936	199.4	215.4	-16.0
1937	269.9	221.9	48.0
1938	235.8	228.5	7.3
1939	237.9	237.7	0.2
1940	252.5	250.3	2.2
1941	231.9	256.3	-24.4
1942	272.4	252.6	19.8
1943	254.0	256.1	- 2.1
1944	299.4	264.2	35.2
1945	254.1	267.5	-13.4
1946	235.7	271.6	-35.9
1947	266.6	271.3	- 4.7
1948	311.3	274.1	37.2
1949	281.8	276.9	4.9
1950	269.0	286.3	-17.3
1951	269.4		
1952	279.9		
1953	324.2		
1954	339.0		

Crop Reporting Board.

Table 17.- Production of cotton by regions, United States, 1930 to date

Crop year beginning Aug. 1	Ginnings					Percentage of U. S. crop			
	West 1/	Southeast 2/	Delta States 3/	Southwest 4/	U. S. total 5/	West 1/	Southeast 2/	Delta States 3/	Southwest 4/
	1,000 bales 500 lb. gr. wt.	1,000 bales 500 lb. gr. wt.	1,000 bales 500 lb. gr. wt.	1,000 bales 500 lb. gr. wt.	1,000 bales 500 lb. gr. wt.	Pct.	Pct.	Pct.	Pct
1930	519	4,933	3,582	4,891	13,932	4	35	26	35
1931	393	4,658	5,451	6,581	17,097	2	27	32	39
1932	270	3,228	3,904	5,584	13,003	2	25	30	43
1933	407	3,556	3,374	5,694	13,047	3	27	26	44
1934	466	3,291	3,139	2,722	9,636	5	34	33	28
1935	449	3,495	3,162	3,523	10,638	4	33	30	33
1936	744	3,708	4,708	3,223	12,399	6	30	38	26
1937	1,214	5,017	6,765	5,927	18,946	6	27	36	31
1938	716	3,007	4,555	3,649	11,943	6	25	38	31
1939	747	3,052	4,626	3,372	11,817	6	26	39	29
1940	868	3,540	4,104	4,036	12,566	7	28	33	32
1941	691	2,417	4,241	3,370	10,744	6	23	40	31
1942	706	3,256	5,088	3,746	12,817	6	25	40	29
1943	580	3,138	4,488	3,207	11,427	5	28	39	28
1944	579	3,432	4,924	3,280	12,230	5	28	40	27
1945	576	2,716	3,635	2,079	9,015	7	30	40	23
1946	758	2,539	3,401	1,931	8,640	9	30	39	22
1947	1,185	2,716	4,180	3,767	11,860	10	23	35	32
1948	1,532	3,536	6,266	3,527	14,877	10	24	42	24
1949	2,087	2,512	4,864	6,650	16,128	13	16	30	41
1950	1,639	1,667	3,511	3,188	10,012	16	17	35	32
1951	2,841	3,304	4,460	4,536	15,149	19	22	29	30
1952	3,096	2,901	5,060	4,072	15,139	21	19	33	27
1953	3,165	2,899	5,634	4,754	16,465	19	18	34	29
1954 6/	2,610	2,232	4,495	4,215	13,569	19	17	33	31

1/ West includes California, Arizona, and New Mexico.

2/ Southeast includes Virginia, North Carolina, South Carolina, Georgia, Florida, and Alabama.

3/ Delta includes Missouri, Arkansas, Tennessee, Mississippi, and Louisiana.

4/ Southwest includes Texas and Oklahoma.

5/ Includes other States.

6/ Preliminary, Crop Reporting Board report of December 8, 1954.

Crop Reporting Board.

Table 18.- Cotton: Harvested acreage by regions and each region as a percentage of total harvested acreage, United States, 1930 to date

Crop year beginning Aug. 1	West 1/		Southwest 2/		Delta 3/		Southeast 4/		Others 5/		Total
	1,000 acres	Percent	1,000 acres	Percent	1,000 acres	Percent	1,000 acres	Percent	1,000 acres	Percent	1,000 acres
1930	608	1.4	20,067	47.3	11,105	26.2	10,644	25.1	20	6/	42,444
1931	493	1.3	18,130	46.8	10,524	27.2	9,539	24.6	18	0.1	38,704
1932	348	1.0	16,442	45.7	10,331	28.8	8,749	24.4	21	.1	35,891
1933	443	1.5	13,929	47.4	7,896	26.9	7,088	24.1	27	.1	29,383
1934	449	1.7	12,744	47.4	6,961	25.9	6,680	24.9	32	.1	26,866
1935	468	1.7	12,975	47.2	7,214	26.2	6,831	24.8	21	.1	27,509
1936	692	2.3	13,848	46.6	8,096	27.2	7,094	23.8	25	.1	29,755
1937	1,078	3.2	14,911	44.3	9,267	27.6	8,337	24.8	30	.1	33,623
1938	638	2.6	10,440	43.1	6,867	28.3	6,283	25.9	20	.1	24,248
1939	608	2.6	10,304	43.3	6,869	28.8	6,004	25.2	20	.1	23,805
1940	675	2.8	10,294	43.1	6,814	28.6	6,056	25.4	22	.1	23,861
1941	719	3.2	9,376	42.2	6,493	29.2	5,628	25.3	20	.1	22,236
1942	756	3.3	9,829	43.5	6,498	28.8	5,497	24.3	22	.1	22,602
1943	601	2.8	9,280	42.9	6,418	29.7	5,294	24.5	17	.1	21,610
1944	559	2.8	8,430	43.0	6,014	30.7	4,597	23.4	17	.1	19,617
1945	587	3.4	6,885	40.4	5,340	31.4	4,201	24.7	16	.1	17,029
1946	622	3.5	7,020	39.9	5,586	31.8	4,342	24.7	14	.1	17,584
1947	922	4.3	9,472	44.4	6,372	29.9	4,548	21.3	16	.1	21,330
1948	1,294	5.6	9,638	42.1	7,130	31.1	4,831	21.1	18	.1	22,911
1949	1,610	5.9	12,400	45.1	7,755	28.3	5,653	20.6	21	.1	27,439
1950	1,026	5.8	7,495	41.9	5,480	30.7	3,829	21.5	13	.1	17,843
1951	2,178	8.1	13,335	49.4	6,635	24.6	4,785	17.8	16	.1	26,949
1952	2,355	9.1	11,920	46.0	6,621	25.5	5,011	19.3	14	.1	25,921
1953	2,345	9.6	9,920	40.8	7,015	28.8	5,046	20.7	15	.1	24,341
1954 7/	1,505	7.8	8,620	44.9	5,425	28.3	3,623	18.9	14	.1	19,187

1/ Includes California, Arizona and New Mexico.

2/ Includes Texas, and Oklahoma.

3/ Includes Missouri, Arkansas, Tennessee, Mississippi and Louisiana.

4/ Includes Virginia, North Carolina, South Carolina, Georgia, Florida, and Alabama.

5/ Includes Illinois, Kansas, Kentucky and Nevada.

6/ Less than 0.05 percent.

7/ Preliminary, Crop Reporting Board report of December 8, 1954.

Calculated from data from Crop Reporting Board.

Table 19.- Cotton Report as of December 1, 1954

The Crop Reporting Board of the Agricultural Marketing Service makes the following report from data furnished by crop correspondents, field statisticians, Bureau of the Census, Commodity Stabilization Service, and cooperating State agencies. The final total ginnings for the season compared with this forecast will depend upon whether the various influences affecting the harvesting of the portion of the crop still in the field will be more or less favorable than usual.

State	Acreage Harvested			Lint yield per harvested acre			Production (Ginnings) 1/ 500 lb. gross wt. bales		
	Average 1943-52	1953	1954 (Dec. 1 est.)	Average 1943-52	1953	1954 (Dec. 1 est.)	Average 1943-52	1953	1954 crop (Dec. 1 est.)
	1,000 acres	1,000 acres	1,000 acres	Pounds	Pounds	Pounds	1,000 bales	1,000 bales	1,000 bales
Missouri	447	555	450	368	386	478	343	449	450
Virginia	25	30	17	360	291	325	19	18	12
N. Carolina	708	775	545	340	278	316	506	449	360
S. Carolina	1,064	1,175	830	312	281	288	693	690	500
Georgia	1,342	1,375	1,025	252	262	285	705	752	610
Florida	37	71	36	203	182	336	16	27	25
Tennessee	732	950	640	357	354	408	544	702	545
Alabama	1,532	1,620	1,170	286	285	297	907	963	725
Mississippi	2,371	2,490	1,950	336	410	387	1,664	2,129	1,575
Arkansas	1,941	2,070	1,700	332	358	381	1,343	1,548	1,355
Louisiana	843	950	685	327	407	400	585	806	570
Oklahoma	1,203	1,020	920	152	205	154	385	437	295
Texas	8,384	8,900	7,700	182	233	244	3,239	4,317	3,920
New Mexico	190	315	202	498	497	736	195	327	310
Arizona	306	690	420	555	743	968	387	1,070	850
California	680	1,340	883	624	632	786	905	1,768	1,450
Other States 2/	15	15	14	343	436	565	12	13	17
United States	21,823	24,341	19,187	272.1	324.2	339	12,448	16,465	13,569
Amer.-Egypt. 3/	44.8	92.1	33.2	344	340	521	29.2	65.5	36.2
Texas	13.7	30.0	10.5	372	329	456	9.2	20.6	10.0
New Mexico	7.4	20.1	6.5	344	289	442	4.9	12.1	6.0
Arizona	23.4	41.5	16.0	322	375	598	14.9	32.5	20.0
California	0.3	0.5	0.2	224	246	360	0.2	0.3	0.2

1/ Production ginned and to be ginned. A 500-lb. bale contains about 480 net pounds of lint.

2/ Illinois, Kansas, Kentucky, and Nevada.

3/ Included in State and United States totals.

Table 20.- Average rates for picking 100 pounds of seed cotton, by States, up to November 1, 5-year average, 1934-38, 1939-43, 1944-48, 1946-50 and annually 1951-54

State	Average 1934-38	Average 1939-43	Average 1944-48	Average 1946-50	1951 1/	1952 1/	1953 1/	1954 1/
	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.	Dol.
Missouri	0.81	1.35	2.82	3.12	3.10	3.85	3.25	3.45
Virginia	.68	1.12	2.49	2.75	3.05	3.20	3.00	2.90
North Carolina	.65	1.07	2.66	2.89	3.35	3.50	3.35	3.15
South Carolina	.53	0.80	2.04	2.32	2.85	3.00	2.75	2.45
Georgia	.53	.81	2.06	2.35	3.00	3.05	2.90	2.65
Florida	.59	.94	2.11	2.34	3.30	3.15	3.05	3.05
Tennessee	.67	1.15	2.39	2.70	2.80	3.15	2.75	2.75
Alabama	.54	.87	2.09	2.31	2.65	2.70	2.65	2.40
Mississippi	.64	1.07	2.44	2.61	2.80	2.95	2.80	2.55
Arkansas	.64	1.13	2.54	2.82	2.90	3.20	2.90	2.95
Louisiana	.60	.93	2.18	2.48	3.05	2.95	2.75	2.50
Oklahoma	.73	1.17	2.34	2.57	2.90	2.85	2.85	2.85
Texas	.61	1.08	2.36	2.60	3.00	2.90	2.65	2.55
New Mexico	.66	1.26	2.35	2.46	2.50	2.50	2.50	2.35
Arizona	.91	1.69	2.55	2.83	3.10	3.35	3.00	3.10
California	.90	1.42	2.68	3.07	3.70	3.60	3.00	3.00
United States	.62	1.07	2.38	2.65	3.00	3.05	2.80	2.70

1/ Includes rates paid for snapping bolls converted to seed cotton equivalent.

Table 21.- Upland Cotton: Acreage in cultivation July 1, 1954 and allotments, 1954 and 1955 crops

State	Acreage in cultivation July 1, 1954 1/	Allotments 1954 crop	1955 crop	'55 as percent of '54
	Acres	Acres	Acres	Percent
Alabama	1,230,000	1,346,401	1,101,804	-19.2
Arizona	400,000	413,820	333,933	-19.3
Arkansas	1,735,000	1,847,036	1,529,704	-17.2
California	906,700	936,408	778,686	-16.8
Florida	2/ 41,000	44,116	36,283	-17.8
Georgia	2/1,125,000	1,188,894	950,818	-20.0
Illinois	2,200	4,000	3,056	-23.6
Kansas	---	80	35	-56.2
Kentucky	10,000	10,799	8,374	-22.5
Louisiana	705,000	750,436	648,442	-13.6
Mississippi	1,970,000	2,079,833	1,750,852	-15.8
Missouri	465,000	462,617	399,627	-13.6
Nevada	1,900	2,289	2,324	+ 1.5
New Mexico	203,000	218,942	182,194	-16.8
North Carolina	585,000	624,831	515,714	-17.5
Oklahoma	1,000,000	1,098,283	872,532	-20.6
South Carolina	870,000	929,030	773,945	-16.7
Tennessee	670,000	680,683	593,868	-12.8
Texas	7,990,000	8,719,178	7,612,779	-12.7
Virginia	18,000	21,682	18,238	-15.9
United States	2/19,927,800	21,379,358	18,113,208	-15.3

1/ 1954 acreages were not used in determining 1955 national and State acreage allotments.

2/ Includes Sealand.

Table 22.- Extra-long staple cotton: Acreage in cultivation July 1, 1954 and allotments, 1954 and 1955 crops 1/

State	Acreage in cultivation July 1, 1954	Allotments 1954 crop	1955 crop	1955 as percent of 1954
	Acres	Acres	Acres	Percent
Arizona	2/16,000	16,271	18,472	+13.5
California	2/ 300	272	296	+ 8.8
Florida	3/	614	612	- 0.3
Georgia	3/	185	157	-15.1
New Mexico	2/ 7,000	7,144	8,529	+19.4
Texas	2/10,000	14,259	15,964	+12.0
Puerto Rico	3/	2,516	2,124	-15.6
Total	2/33,300	41,261	46,154	+11.9

1/ 1954 acreages were not used in determining 1955 national and State acreage allotments.

2/ American-Egyptian only. Other long staple not available.

3/ Not available.

Table 23.- Net importing foreign free world countries, August 1, 1950-54 1/

Country	1950	1951	1952	1953	1954 2/
	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
Europe					
Belgium	148	114	118	105	115
France	485	313	263	339	367
Federal Republic of Germany	440	167	200	213	259
Italy	398	425	415	250	250
Spain	45	16	44	38	80
United Kingdom	1,397	1,228	1,282	1,016	905
Others	368	471	354	377	399
Total	3,281	2,734	2,676	2,438	2,375
Asia					
India	1,380	1,650	2,165	1,570	1,735
Japan	300	700	520	520	400
Others	107	124	111	134	171
Total Asia	1,787	2,474	2,796	2,224	2,306
All others	214	216	215	194	170
All net importing countries	5,282	5,424	5,687	4,856	4,851

1/ Excludes cotton afloat.

2/ Preliminary.

Table 24.- Net exporting foreign free world countries, August 1, 1950-54 1/

Location	1950	1951	1952	1953	1954 2/
	1,000 bales	1,000 bales	1,000 bales	1,000 bales	1,000 bales
Europe					
Greece	32	43	42	22	16
Asia					
Iran	32	10	30	10	10
Pakistan	133	140	375	385	260
Turkey	60	50	160	160	100
Others	33	37	46	47	30
Total	258	237	611	602	400
North America					
Mexico 3/	200	110	205	110	80
Others	19	13	60	40	28
Total	219	123	265	150	108
South America					
Argentina	507	424	560	465	425
Brazil	530	640	1,500	2,050	1,200
Paraguay	32	23	32	30	20
Peru	105	163	240	230	235
Total	1,174	1,250	2,332	2,775	1,880
Africa					
A. E. Sudan	98	209	125	240	185
Belgian Congo	82	97	122	80	75
Egypt	487	432	850	845	495
French Africa	115	91	115	77	108
Portuguese Africa	32	60	58	90	50
British East Africa	113	67	170	76	50
Others	21	61	61	41	26
Total	948	1,017	1,501	1,449	989
Total	2,631	2,670	4,751	4,998	3,393

1/ Excludes cotton afloat.
2/ Preliminary.
3/ Stocks on June 30.

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